

SERFF Tracking Number:	AOIC-125649047	State:	Arkansas
First Filing Company:	Auto-Owners Insurance Company, ...	State Tracking Number:	EFT \$100
Company Tracking Number:	WCP-AR-99-05/30/2008-01		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	Workers Compensation and Employer's Liability		
Project Name/Number:	AR Workers Compensation Rate Change/WCP-AR-99-05/30/2008-01		

## Filing at a Glance

Companies: Auto-Owners Insurance Company, Owners Insurance Company

Product Name: Workers Compensation and Employer's Liability      SERFF Tr Num: AOIC-125649047      State: Arkansas

Product Name: Workers Compensation and Employer's Liability

TOI: 16.0 Workers Compensation

SERFF Status: Closed

State Tr Num: EFT \$100

Sub-TOI: 16.0004 Standard WC

Co Tr Num: WCP-AR-99-05/30/2008-01

State Status: Fees verified and received

Filing Type: Rate/Rule

Co Status:

Reviewer(s): Betty Montesi, Carol Stiffler

Authors: Jennifer Smith, Kelly Staake, Megan Shaff, Debbie Garofalo, James Godair, Brent Kolhoff, Jacob Fazekas, Sarah Nowak

Disposition Date: 06/02/2008

Date Submitted: 05/30/2008

Disposition Status: Approved

Effective Date Requested (New): 07/01/2008

Effective Date (New): 07/01/2008

Effective Date Requested (Renewal): 07/01/2008

Effective Date (Renewal):

State Filing Description:

## General Information

Project Name: AR Workers Compensation Rate Change

Status of Filing in Domicile:

Project Number: WCP-AR-99-05/30/2008-01

Domicile Status Comments:

Reference Organization: NCCI

Reference Number:

Reference Title:

Advisory Org. Circular: AR-2008-02

Filing Status Changed: 06/02/2008

State Status Changed: 06/02/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Auto-Owners Insurance Company of Lansing, Michigan and Owners Insurance Company of Lima, Ohio submit the following workers' compensation rate revision for your review. The proposed effective date for both new and renewal business is July 1, 2008.

<i>SERFF Tracking Number:</i>	<i>AOIC-125649047</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Company Tracking Number:</i>	<i>WCP-AR-99-05/30/2008-01</i>		
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<i>Product Name:</i>	<i>Workers Compensation and Employer's Liability</i>		
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Auto-Owners Insurance Company and Owners Insurance Company are filing to adopt the NCCI loss costs and miscellaneous values effective July 1, 2008 per NCCI Item Number AR-2008-02.

For Auto-Owners, we will increase our loss cost multiplier from 1.57 to 1.65 for standard classes, and we will increase our loss cost multiplier for preferred classes from 1.47 to 1.54. For Owners, we will increase our loss cost multiplier from 1.27 to 1.33 for standard classes, and we will increase our loss cost multiplier for preferred classes from 1.17 to 1.23. In addition, to prevent an individual policyholder from experiencing too large of a rate change, the classes with premium will be capped at +10%/-10% for all classes. The preferred classes are listed below:

0042 2003 2802 3040 3114 3632 4299 5022 5183 5190 5192 5215 5221 5445 5474 5491 5537 5645 5651 6217 6229 6325 6400  
6836 7228 7229 7520 7613 8001 8006 8008 8013 8015 8017 8018 8046 8107            8111 8116 8381 8393 8601 8742 8810 8820  
8832 9052 9061            9082 9101            9102 9516 9521 9620

In addition, we have increased our expense constant from \$160 to \$170, our minimum premium factor from 155 to 165, and highest minimum premium from \$750 to \$800.

These changes will result in an overall rate change of -3.8% for Auto-Owners, -5.1% for Owners, and an overall -4.1% change for the group.

## Company and Contact

### Filing Contact Information

Jennifer Smith, Assistant Manager	smith.jennifer.l@aoins.com
P.O. Box 30660	(800) 346-0346 [Phone]
Lansing, MI 48909-8160	(517) 323-8796[FAX]

### Filing Company Information

Auto-Owners Insurance Company	CoCode: 18988	State of Domicile: Michigan
P.O. Box 30660	Group Code: 280	Company Type: PC
Lansing, MI 48909-8160	Group Name: Auto-Owners Ins Group	State ID Number:
(800) 346-0346 ext. [Phone]	FEIN Number: 38-0315280	
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*SERFF Tracking Number:*      *AOIC-125649047*      *State:*      *Arkansas*  
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*Project Name/Number:*      *AR Workers Compensation Rate Change/WCP-AR-99-05/30/2008-01*

Owners Insurance Company	CoCode: 32700	State of Domicile: Ohio
P.O. Box 30660	Group Code: 280	Company Type: PC
Lansing, MI 48909-8160	Group Name: Auto-Owners Ins Group	State ID Number:
(800) 346-0346 ext. [Phone]	FEIN Number: 34-1172650	
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<i>SERFF Tracking Number:</i>	<i>AOIC-125649047</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>Auto-Owners Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
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## Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	\$50.00 per company
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Auto-Owners Insurance Company	\$100.00	05/30/2008	20596765
Owners Insurance Company	\$0.00	05/30/2008	

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## Correspondence Summary

### Dispositions

<b>Status</b>	<b>Created By</b>	<b>Created On</b>	<b>Date Submitted</b>
Approved	Carol Stiffler	06/02/2008	06/02/2008

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## Disposition

Disposition Date: 06/02/2008

Effective Date (New): 07/01/2008

Effective Date (Renewal):

Status: Approved

Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Auto-Owners Insurance Company	-3.800%	\$-40,585	374	\$1,060,995	14.200%	-9.600%	-33.100%
Owners Insurance Company	-5.100%	\$-12,910	53	\$253,240	4.400%	-9.400%	-23.600%

### Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	-31.100%
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Overall Percentage Rate Impact For This Filing	-4.100%
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Effect of Rate Filing-Written Premium Change For This Program	\$-53,495
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Effect of Rate Filing - Number of Policyholders Affected	427
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SERFF Tracking Number: AOIC-125649047 State: Arkansas

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Company Tracking Number: WCP-AR-99-05/30/2008-01

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Product Name: Workers Compensation and Employer's Liability

Project Name/Number: AR Workers Compensation Rate Change/WCP-AR-99-05/30/2008-01

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	NAIC Loss Cost Filing Document for Workers' Compensation	Approved	Yes
Supporting Document	NAIC loss cost data entry document	Approved	Yes
Rate	Auto-Owners Insurance Company Rates	Approved	Yes
Rate	Auto-Owners Insurance Company Miscellaneous Values	Approved	Yes
Rate	Owners Insurance Company Rates	Approved	Yes
Rate	Owners Insurance Company Miscellaneous Values	Approved	Yes

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## Rate Information

Rate data applies to filing.

<b>Filing Method:</b>	Prior Approval
<b>Rate Change Type:</b>	Decrease
<b>Overall Percentage of Last Rate Revision:</b>	2.300%
<b>Effective Date of Last Rate Revision:</b>	01/01/2008
<b>Filing Method of Last Filing:</b>	Prior Approval

## Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Auto-Owners Insurance Company	-33.100%	-3.800%	\$-40,585	374	\$1,060,995	14.200%	-9.600%
Owners Insurance Company	-23.600%	-5.100%	\$-12,910	53	\$253,240	4.400%	-9.400%

## Overall Rate Information for Multiple Company Filings

<b>Overall % Rate Indicated:</b>	-31.100%
<b>Overall Percentage Rate Impact For This Filing:</b>	-4.100%
<b>Effect of Rate Filing - Written Premium Change For This Program:</b>	\$-53,495



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<i>Project Name/Number:</i>	<i>AR Workers Compensation Rate Change/WCP-AR-99-05/30/2008-01</i>		

<b>Effect of Rate Filing - Number of Policyholders Affected:</b>	<b>427</b>
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## Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Approved	Auto-Owners Insurance Company Rates		Replacement	AOAKZ017.pdf
Approved	Auto-Owners Insurance Company Miscellaneous Values		Replacement	AOAKZ018.pdf
Approved	Owners Insurance Company Rates		Replacement	AOAKZ019.pdf
Approved	Owners Insurance Company Miscellaneous Values		Replacement	AOAKZ020.pdf

## Auto-Owners

WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
PART THREE - RATES

## Arkansas

## Class Codes

[0005 - 3042](#)[3064 - 4611](#)[4635 - 7538](#)[7539 - 9620](#)

Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.
0005	6.40	800	1860	1.95	491	2503	1.34	391
0008	2.61	600	1924	4.22	800	2534	2.15	524
0016	5.61	800	1925	2.92	652	2570	4.93	800
0034	4.31	800	2001	2.38	562	2585	3.09	680
0035	2.57	595	2002	2.99	663	2586	1.32	388
0036	4.09	800	2003	3.14	688	2587	2.89	646
0037	4.62	800	2014	6.34	800	2589	1.61	436
0042	6.71	800	2016	1.98	497	2600	6.37	800
0050	5.18	800	2021	3.32	717	2623	2.81	633
0079	4.22	800	2039	4.44	800	2651	2.62	603
0083	9.73	800	2041	4.26	800	2660	1.45	410
0106	11.39	800	2065	1.60	434	2670	2.29	548
0113	5.71	800	2070	5.45	800	2683	1.96	494
0170	2.46	576	2081	3.84	800	2688	3.04	671
0251	5.03	800	2089	2.52	587	2701	7.38	800
0400	8.05	800	2095	2.72	619	2702X	30.08	800
0401	10.99	800	2105	2.43	570	2710	8.76	800
0771N	0.30	---	2110	2.13	521	2714	4.16	800
0908P	141.90	800	2111	2.51	584	2719X	11.04	800
0913P	349.80	800	2112	2.71	616	2731	3.70	780
0917	3.91	800	2114	2.67	611	2735	2.59	597
1005	11.01	800	2121	2.23	538	2759	8.43	800
1164E	7.11	800	2130	2.79	630	2790	1.55	426
1165E	4.69	800	2131	1.88	480	2802	4.90	800
1320	2.92	652	2143	2.18	529	2812	4.37	800
1322	15.68	800	2157	4.04	800	2835	1.60	434
1430	4.32	800	2172	1.57	429	2836	2.24	540
1438	2.43	570	2174	2.92	652	2841	3.71	783
1452	1.68	448	2211	5.46	800	2881	2.51	584
1463	11.62	800	2220	1.95	491	2883	4.34	800
1472	4.04	800	2286	1.42	404	2913	4.08	800
1624E	7.57	800	2288	4.03	800	2915	4.24	800
1642	4.08	800	2300	2.13	521	2916	2.33	554
1654	6.25	800	2302	1.70	450	2923	2.39	565
1655	4.93	800	2305	2.13	521	2942	2.34	557
1699	2.00	499	2361	1.20	369	2960	3.22	701
1701	3.09	679	2362	1.75	459	3004	2.74	622
1710E	6.11	800	2380	4.50	800	3018	2.56	592
1741E	1.85	475	2386	1.12	355	3022	3.17	693

1745X	2.99	663	2388	1.91	486	3027	2.67	611
1747	2.61	600	2402	2.15	524	3028	2.31	551
1748	7.44	800	2413	1.68	448	3030	4.01	800
1803D	5.35	800	2416	1.67	445	3040	3.47	742
1852D	2.48	578	2417	1.57	429	3041	3.32	717
1853	2.31	551	2501	1.35	393	3042	3.17	693

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Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.
3064	4.59	800	3515	2.18	529	4113	1.32	388
3069	7.87	800	3548	1.35	393	4114	2.21	535
3076	2.95	657	3559	2.59	597	4130	4.54	800
3081D	2.87	644	3574	1.12	355	4131	2.43	570
3082D	3.88	800	3581	1.44	407	4133	2.39	565
3085D	3.23	704	3612	2.19	532	4150	1.67	445
3110	2.84	638	3620	5.79	800	4206	3.66	774
3111	2.97	660	3629	1.95	491	4207	1.01	336
3113	2.34	557	3632	3.73	785	4239	1.27	380
3114	2.43	571	3634	1.70	450	4240	2.46	576
3118	1.20	369	3635	2.06	510	4243	1.67	445
3119	1.09	350	3638	1.47	412	4244	2.95	657
3122	1.50	418	3642	0.84	309	4250	1.49	415
3126	1.72	453	3643	2.95	657	4251	1.77	461
3131	1.04	342	3647	3.35	723	4263	2.19	532
3132	2.46	576	3648	2.15	525	4273	1.91	486
3145	2.38	562	3681	1.55	426	4279	1.80	467
3146	2.74	622	3685	1.78	464	4282	2.11	518
3169	2.44	573	3719	2.61	600	4283	1.96	494
3175D	2.84	638	3724	6.78	800	4299	1.63	439
3179	2.39	565	3726	3.02	668	4304	2.76	625
3180	1.78	464	3803	1.90	483	4307	2.19	532
3188	1.52	420	3807	2.10	516	4351	1.14	358
3220	1.88	480	3808	2.74	622	4352	1.01	336
3223	2.99	663	3821	4.13	800	4360	0.91	320
3224	2.44	573	3822	3.61	766	4361	1.32	388
3227	1.82	469	3824	4.83	800	4362	1.16	361
3240	3.02	668	3826	0.87	314	4410	3.20	698
3241	2.81	633	3827	1.57	429	4420	3.86	800
3255	2.33	554	3830	1.16	361	4431	1.49	415
3257	3.40	731	3851	2.64	606	4432	1.60	434
3270	3.22	701	3865	1.27	380	4439	1.68	448
3300	4.46	800	3881	3.51	750	4452	3.25	706
3303	3.81	799	4000	7.21	800	4459	1.86	478
3307	3.35	723	4021	5.91	800	4470	2.38	562
3315	2.62	603	4024E	2.21	535	4484	2.08	513
3334	2.13	521	4034	6.93	800	4493	2.52	587
3336	2.19	532	4036	2.51	584	4511	0.74	293

3365	10.20	800	4038	2.16	527	4557	1.70	450
3372	2.84	638	4053	3.43	736	4558	1.65	442
3373	2.89	646	4061	4.22	800	4561	1.98	497
3383	1.07	347	4062	2.29	548	4568	2.59	597
3385	0.87	314	4101	2.00	499	4581	1.73	456
3400	2.71	616	4111	3.05	674	4583	5.30	800
3507	3.09	679	4112	0.94	325	4611	0.96	328

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Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.
4635	4.93	800	5443	4.31	800	6400	6.97	800
4653	1.29	382	5445	5.04	800	6504	2.54	589
4665	6.68	800	5462	5.69	800	6801F	12.47	800
4670	3.83	800	5472	5.18	800	6811	5.48	800
4683	4.88	800	5473	7.10	800	6824F	35.92	800
4686	1.27	380	5474	7.27	800	6826F	13.78	800
4692	0.48	249	5478	4.74	800	6834	4.26	800
4693	0.92	322	5479	10.53	800	6836	8.73	800
4703	2.41	567	5480	8.48	800	6843F	16.04	800
4717	1.78	464	5491	2.05	508	6845F	24.34	800
4720	5.21	800	5506	3.96	800	6854	5.48	800
4740	1.53	423	5507	5.96	800	6872F	20.91	800
4741	1.75	459	5508D	10.05	800	6874F	42.77	800
4751	1.49	415	5535	7.87	800	6882	5.48	800
4771N	1.70	500	5537	5.29	800	6884	12.38	800
4777	1.73	456	5551	15.11	800	7133	3.71	783
4825	0.89	317	5606	1.99	498	7222	10.40	800
4828	1.67	445	5610	5.89	800	7228X	7.43	800
4829	1.20	369	5645	11.23	800	7229X	7.22	800
4902	1.34	391	5651	8.87	800	7230	4.36	800
4923	1.11	352	5703	97.28	800	7231	5.78	800
5020	7.34	800	5705	5.69	800	7232	13.63	800
5022	5.94	800	5951	0.43	241	7309F	24.32	800
5037	20.71	800	6003	10.66	800	7313F	6.90	800
5040	25.28	800	6005	8.10	800	7317F	10.91	800
5057	19.87	800	6017	4.16	800	7327F	32.19	800
5059	23.60	800	6018	2.26	543	7350F	20.99	800
5069	29.80	800	6045	2.62	603	7360	7.52	800
5102	4.37	800	6204	10.61	800	7370	5.31	800
5146	5.35	800	6206	6.73	800	7380X	4.19	800
5160	3.78	793	6213	8.86	800	7382	3.02	668
5183	3.50	748	6214	2.99	663	7390	3.91	800
5188	4.79	800	6216	6.90	800	7403	3.14	687
5190	3.20	698	6217	5.04	800	7405N	1.24	484
5191X	1.98	497	6229	4.75	800	7420X	27.16	800
5192	3.99	800	6233	5.82	800	7421	2.87	644
5213	7.78	800	6235	15.49	800	7422	2.43	570

5215	4.20	800	6236	12.75	800	7425	4.49	800
5221	4.74	800	6237	3.27	709	7431N	1.83	635
5222	12.80	800	6251D	8.50	800	7445N	0.66	---
5223	5.64	800	6252D	6.35	800	7453N	0.99	---
5348	4.37	800	6260D	5.61	800	7502	2.69	614
5402	4.85	800	6306	6.04	800	7515	1.16	361
5403	10.39	800	6319	5.89	800	7520	2.28	546
5437	4.76	800	6325	4.85	800	7538	10.94	800

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Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.
7539	4.69	800	8235	4.47	800	9015X	2.83	637
7540	3.07	676	8263	10.10	800	9016	6.18	800
7580	2.03	505	8264	3.65	772	9019	3.20	698
7590	5.61	800	8265	10.05	800	9033	2.13	521
7600	2.82	636	8279	9.65	800	9040	3.81	799
7601	12.72	800	8288	6.50	800	9052	1.68	447
7605	3.55	755	8291	2.26	543	9058	1.93	489
7610	0.58	265	8292	3.22	701	9059	2.99	663
7611	6.00	800	8293	7.41	800	9060	1.96	493
7612	16.71	800	8295X	8.10	800	9061	1.40	401
7613	4.81	800	8304	7.46	800	9063	1.12	355
7705	2.79	630	8350	6.14	800	9077F	4.59	800
7710	6.25	800	8380	3.59	762	9082	1.62	437
7711	6.25	800	8381	1.51	419	9083	1.75	459
7720X	2.79	630	8385	2.61	600	9084	2.03	505
7855	6.73	800	8392	3.25	706	9089	1.24	374
8001	2.33	554	8393	1.72	454	9093	1.52	420
8002	3.51	750	8500	6.86	800	9101	3.05	673
8006	2.14	523	8601	0.81	304	9102	3.07	677
8008	1.23	373	8606	3.02	668	9154	2.10	516
8010	2.05	508	8709F	8.65	800	9156	1.42	404
8013	0.49	251	8719	2.03	505	9170	3.00	665
8015	0.71	287	8720	1.47	412	9178	28.35	800
8017	1.19	366	8721	0.43	241	9179	38.89	800
8018X	2.56	592	8726F	9.92	800	9180	4.01	800
8021	2.01	502	8742X	0.49	251	9182	2.92	652
8031	4.19	800	8745	4.95	800	9186	57.60	800
8032	1.72	453	8748	0.45	244	9220	3.68	777
8033	2.05	508	8755	0.28	216	9402	4.65	800
8039	1.49	415	8799	1.04	342	9403	6.19	800
8044	3.27	710	8800	1.04	342	9410	1.90	483
8045	0.47	248	8803	0.08	183	9501	4.93	800
8046	2.71	617	8810	0.25	211	9505	4.13	800
8047	1.16	361	8820	0.22	206	9516	3.28	711
8058	2.97	660	8824	2.67	611	9519	2.36	559
8072	0.87	314	8825	2.28	546	9521	5.34	800

8102	2.74	622	8826	2.41	567	9522	1.70	451
8103	4.04	800	8829	2.90	649	9534	7.56	800
8105	5.23	800	8831	2.84	638	9554	8.02	800
8106	4.14	800	8832	0.28	216	9586	0.75	294
8107	4.14	800	8833X	0.97	331	9600	1.77	461
8111	3.80	798	8835	2.21	535	9620	1.34	391
8116	4.66	800	8842	1.58	431			
8203	5.96	800	8864	1.58	431			
8204	5.16	800	8868	0.41	238			
8209	3.23	704	8869	0.79	300			
8215	6.20	800	8871	0.25	211			
8227	4.16	800	8901	0.28	216			
8232	6.81	800	9012	2.09	515			
8233	5.54	800	9014	2.92	652			
						<a href="#">Back to Top</a>		

### FOOTNOTES

- D** Special disease rule for the classification. See Rule 3-A-7 of Manual Supplement-Treatment of Disease Coverage.
- E** Classification involving specific disease loading. Refer to Home Office for amount.
- F** Rate provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. Rate contains a provision for Federal assessment.
- N** This code is part of a ratable/non-ratable group shown below. The statistical non-ratable code and corresponding rate are applied in addition to the basic classification when determining premium.
- | <b>Non-Ratable</b> |                |
|--------------------|----------------|
| <b>Class</b>       | <b>Element</b> |
| <b>Code</b>        | <b>Code</b>    |
| 4771               | 0771           |
| 7405               | 7445           |
| 7431               | 7453           |
- P** Classification is computed on a per capita basis.
- X** Refer to special classification phraseology in these pages which is applicable in this state.

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### Class Codes with Specific Footnotes

- 1005** Rate includes a non-ratable disease element of \$5.38. (For coverage written separately for federal benefits only, \$3.55. For coverage written separately for state benefits only, \$1.83).
- 8018** See Arkansas Special Classification for Warehousing - groceries exclusively.
- 8833** The rate for this classification is \$0.50. A charge of \$0.17 is to be added to this class' rate whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to the Rating Organization having jurisdiction for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.
- 9040** The rate for this classification is \$1.83. A charge of \$0.17 is to be added to this class' rate whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to the Rating Organization having jurisdiction for the appropriate loading when this class is applied to a



General Hospital operating a tubercular ward or department.

For Owners Rates, please refer to {{AR OIC WC Rates}}

For Owners Miscellaneous Values, please refer to {{AR OIC WC Misc. Values}}

**Auto-Owners****WORKER'S COMPENSATION  
MISCELLANEOUS VALUES****Arkansas**[Basis of Premium](#)[Expense Constant](#)[Terrorism Risk Insurance Act](#)[Premium Discount Percentages](#)[Maximum Payroll](#)[Minimum Payroll](#)[Premium Determination for Partners and Sole Proprietors](#)[United States Longshore and Harbor Workers](#)[Compensation Coverage Package](#)[Experience Rating Eligibility](#)**BASIS OF PREMIUM**

Applicable in accordance with the footnote instructions for Code:

7370 (Taxicab Co.):

Employee operated vehicles

\$48,893

Leased or rented vehicles

\$32,595

7420 (Aviation - Aerial Application, Seeding, Herding, or Scintillometer Surveying - Flying Crew):

Maximum payroll per week per employee

\$750

**EXPENSE CONSTANT**

Applicable in accordance with Basic Manual Rule 3-A-11.

\$170

**FOREIGN TERRORISM**

\$0.03 per total payroll/100

**DOMESTIC TERRORISM, EARTHQUAKE AND CATASTROPHIC INDUSTRIAL ACCIDENTS**

\$0.02 per total payroll/100

**PREMIUM DISCOUNT PERCENTAGES**

See Basic Manual Rule 3-A-19. The following premium discounts are applicable to Standard Premiums:

First	\$5,000	None
Next	\$95,000	3.5%
Next	\$400,000	5.0%
Over	\$500,000	7.0%

**MAXIMUM PAYROLL**

Applicable in accordance with Basic Manual Rule 2-E-1 - "Executive Officers" and the footnote instructions for Code 9178 - "Athletic Team: Non-Contact Sports", Code 9179 - "Athletic Team: Contact Sports", and Code 9186 - "Carnival - Traveling"

\$2,500

[Back to Top](#)**PER PASSENGER SEAT SURCHARGE**

In accordance with the footnote instructions for Classification Code 7421 the

surcharge is

\$100 per passenger seat  
\$1000 maximum surcharge per aircraft

#### MINIMUM PAYROLL

Applicable in accordance with Basic Manual Rule 2-E-1 - "Executive Officers".

\$300

#### PREMIUM DETERMINATION FOR PARTNERS, SOLE PROPRIETORS AND MEMBERS OF LIMITED LIABILITY COMPANIES

Applicable in accordance with the Basic Manual Rule 2-E-3.

\$31,900

#### UNITED STATES LONGSHORE AND HARBOR WORKERS COMPENSATION COVERAGE PERCENTAGE

Applicable only in connection with Rule 3-A-4 "U.S. Longshore and Harbor Workers' Compensation Act" of the Basic Manual.

86%

(Multiply a Non "F" classification rate by a factor of 1.86 to adjust for differences in benefits and loss-based expenses. This factor is the product of the adjustment for the difference in state and federal benefits (1.67) and the difference in state and federal loss-based expenses (1.116).)

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#### EXPERIENCE RATING ELIGIBILITY

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed in the last year or the last two years of the experience period produced a premium of at least \$8,000. If more than two years, an average annual premium of at least \$4,000 is required. Page A-1 of the Experience Rating Plan Manual should be referenced for the latest approved eligibility amounts by state.

Advisory Loss Elimination Ratios - The following percentages are applicable by deductible amount and Hazard group on a per claim basis:

#### TOTAL LOSSES

Deductible Amount	Hazard Group			
	I	II	III	IV
\$1,000	7.0%	5.4%	3.4%	2.1%
1,500	8.6%	6.7%	4.3%	2.6%
2,000	9.9%	7.7%	5.0%	3.2%
2,500	11.0%	8.6%	5.6%	3.6%
3,000	12.0%	9.5%	6.3%	4.0%
3,500	12.9%	10.3%	6.8%	4.4%
4,000	13.7%	11.0%	7.4%	4.8%
4,500	14.4%	11.6%	7.8%	5.1%
5,000	15.2%	12.3%	8.3%	5.4%

#### INDEMNITY LOSSES

Deductible Amount	Hazard Group			
	I	II	III	IV
\$1,000	1.4%	1.2%	0.9%	0.6%
1,500	2.0%	1.7%	1.3%	0.9%
2,000	2.5%	2.1%	1.7%	1.2%
2,500	3.0%	2.5%	1.9%	1.4%
3,000	3.4%	2.9%	2.3%	1.5%
3,500	3.8%	3.3%	2.5%	1.7%
4,000	4.1%	3.6%	2.8%	1.9%

4,500	4.5%	3.9%	3.0%	2.1%
5,000	4.8%	4.2%	3.2%	2.3%

**MEDICAL LOSSES**

<b>Deductible Amount</b>	<b><u>Hazard Group</u></b>			
	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>
\$1,000	6.8%	5.2%	3.2%	1.9%
1,500	8.3%	6.4%	4.0%	2.4%
2,000	9.3%	7.3%	4.6%	2.9%
2,500	10.3%	8.1%	5.2%	3.2%
3,000	11.0%	8.7%	5.6%	3.5%
3,500	11.7%	9.3%	6.1%	3.9%
4,000	12.4%	9.9%	6.4%	4.1%
4,500	13.0%	10.3%	6.8%	4.4%
5,000	13.5%	10.8%	7.2%	4.6%

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For Auto-Owners Rates, please refer to {{AR OIC WC Rates}}.

Owners

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY  
PART THREE - RATES**

Arkansas

## Class Codes

[0005 - 3042](#)[3064 - 4611](#)[4635 - 7705](#)[7710 - 9620](#)

Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.
0005	5.16	800	1860	1.57	429	2503	1.08	348
0008	2.10	517	1924	3.40	732	2534	1.73	455
0016	4.52	800	1925	2.35	558	2570	3.98	800
0034	3.47	743	2001	1.92	486	2585	2.49	581
0035	2.07	512	2002	2.41	567	2586	1.06	346
0036	3.30	714	2003	2.51	584	2587	2.33	554
0037	3.72	784	2014	5.11	800	2589	1.31	386
0042	5.34	800	2016	1.60	433	2600	5.13	800
0050	4.18	800	2021	2.67	611	2623	2.26	543
0079	3.40	732	2039	3.58	760	2651	2.11	519
0083	7.85	800	2041	3.43	736	2660	1.17	363
0106	9.18	800	2065	1.29	383	2670	1.85	475
0113	4.60	800	2070	4.39	800	2683	1.58	431
0170	1.98	497	2081	3.10	681	2688	2.45	574
0251	4.06	800	2089	2.03	506	2701	5.95	800
0400	6.49	800	2095	2.19	532	2702X	24.25	800
0401	8.86	800	2105	1.96	493	2710	7.06	800
0771N	0.24	---	2110	1.72	453	2714	3.35	723
0908P	114.38	800	2111	2.02	504	2719X	8.90	800
0913P	281.96	800	2112	2.18	530	2731	2.98	662
0917	3.15	690	2114	2.15	526	2735	2.09	515
1005	8.87	800	2121	1.80	466	2759	6.80	800
1164E	5.73	800	2130	2.25	541	2790	1.25	376
1165E	3.78	793	2131	1.52	420	2802	3.91	800
1320	2.35	558	2143	1.76	460	2812	3.53	752
1322	12.64	800	2157	3.26	708	2835	1.29	383
1430	3.48	745	2172	1.26	378	2836	1.81	468
1438	1.96	493	2174	2.35	558	2841	2.99	664
1452	1.36	394	2211	4.40	800	2881	2.02	503
1463	9.36	800	2220	1.57	429	2883	3.51	749
1472	3.26	708	2286	1.14	359	2913	3.29	712
1624E	6.10	800	2288	3.25	705	2915	3.42	734
1642	3.29	712	2300	1.72	453	2916	1.88	479
1654	5.04	800	2302	1.37	396	2923	1.93	488
1655	3.98	800	2305	1.72	453	2942	1.89	482
1699	1.61	436	2361	0.97	330	2960	2.59	598
1701	2.49	580	2362	1.41	403	3004	2.21	534
1710E	4.92	800	2380	3.63	769	3018	2.06	510
1741E	1.49	416	2386	0.90	319	3022	2.55	591

1745X	2.41	567	2388	1.54	425	3027	2.15	526
1747	2.10	517	2402	1.73	455	3028	1.86	477
1748	6.00	800	2413	1.36	394	3030	3.23	703
1803D	4.31	800	2416	1.34	392	3040	2.77	627
1852D	2.00	499	2417	1.26	378	3041	2.67	611
1853	1.86	477	2501	1.09	350	3042	2.55	591

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Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.
3064	3.70	780	3515	1.76	460	4113	1.06	346
3069	6.34	800	3548	1.09	350	4114	1.78	464
3076	2.38	563	3559	2.09	515	4130	3.66	773
3081D	2.31	552	3574	0.90	319	4131	1.96	493
3082D	3.13	686	3581	1.16	361	4133	1.93	488
3085D	2.61	600	3612	1.77	462	4150	1.34	392
3110	2.29	547	3620	4.67	800	4206	2.95	657
3111	2.39	565	3629	1.57	429	4207	0.81	304
3113	1.89	482	3632	2.98	661	4239	1.02	339
3114	1.94	491	3634	1.37	396	4240	1.98	497
3118	0.97	330	3635	1.66	444	4243	1.34	392
3119	0.88	315	3638	1.18	365	4244	2.38	563
3122	1.21	370	3642	0.68	282	4250	1.20	368
3126	1.38	398	3643	2.38	563	4251	1.42	405
3131	0.84	308	3647	2.70	615	4263	1.77	462
3132	1.98	497	3648	1.73	455	4273	1.54	425
3145	1.92	486	3681	1.25	376	4279	1.45	409
3146	2.21	534	3685	1.44	407	4282	1.70	451
3169	1.97	495	3719	2.10	517	4283	1.58	431
3175D	2.29	547	3724	5.47	800	4299	1.30	385
3179	1.93	488	3726	2.43	572	4304	2.22	536
3180	1.44	407	3803	1.53	422	4307	1.77	462
3188	1.22	372	3807	1.69	449	4351	0.92	321
3220	1.52	420	3808	2.21	534	4352	0.81	304
3223	2.41	567	3821	3.33	719	4360	0.73	291
3224	1.97	495	3822	2.91	651	4361	1.06	346
3227	1.46	411	3824	3.90	800	4362	0.93	324
3240	2.43	572	3826	0.70	286	4410	2.58	596
3241	2.26	543	3827	1.26	378	4420	3.11	684
3255	1.88	479	3830	0.94	325	4431	1.20	368
3257	2.74	622	3851	2.13	521	4432	1.29	383
3270	2.59	598	3865	1.02	339	4439	1.36	394
3300	3.59	763	3881	2.83	637	4452	2.62	602
3303	3.07	677	4000	5.81	800	4459	1.50	418
3307	2.70	615	4021	4.76	800	4470	1.92	486
3315	2.11	519	4024E	1.78	464	4484	1.68	447
3334	1.72	453	4034	5.59	800	4493	2.03	506
3336	1.77	462	4036	2.02	504	4511	0.60	269

3365	8.22	800	4038	1.74	457	4557	1.37	396
3372	2.29	547	4053	2.77	626	4558	1.33	389
3373	2.33	554	4061	3.40	732	4561	1.60	433
3383	0.86	313	4062	1.85	475	4568	2.09	515
3385	0.70	286	4101	1.61	436	4581	1.40	400
3400	2.18	530	4111	2.46	576	4583	4.27	800
3507	2.49	580	4112	0.76	295	4611	0.77	297

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Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.
4635	3.98	800	5443	3.47	743	6400	5.63	800
4653	1.04	341	5445	4.02	800	6504	2.05	508
4665	5.39	800	5462	4.59	800	6811	4.42	800
4670	3.09	679	5472	4.18	800	6834	3.44	738
4683	3.94	800	5473	5.72	800	6836	6.95	800
4686	1.02	339	5474	5.81	800	6854	4.42	800
4692	0.39	234	5478	3.82	800	6882	4.42	800
4693	0.74	293	5479	8.51	800	6884	9.98	800
4703	1.94	490	5480	6.84	800	7133	2.99	664
4717	1.44	407	5491	1.64	440	7222	8.38	800
4720	4.20	800	5506	3.19	697	7228X	5.90	800
4740	1.24	374	5507	4.80	800	7229X	5.77	800
4741	1.41	403	5508D	8.10	800	7230	3.51	749
4751	1.20	368	5535	6.34	800	7231	4.66	800
4771N	1.37	436	5537	4.21	800	7232	10.99	800
4777	1.40	400	5551	12.18	800	7360	6.06	800
4825	0.72	289	5606	1.61	436	7370	4.28	800
4828	1.34	392	5610	4.75	800	7380X	3.39	729
4829	0.97	330	5645	8.97	800	7382	2.43	572
4902	1.08	348	5651	7.06	800	7390	3.15	690
4923	0.89	317	5703	78.42	800	7403	2.53	587
5020	5.92	800	5705	4.59	800	7405N	1.00	422
5022	4.73	800	5951	0.35	227	7420X	21.89	800
5037	16.69	800	6003	8.59	800	7421	2.31	552
5040	20.45	800	6005	6.53	800	7422	1.96	493
5057	16.01	800	6017	3.35	723	7425	3.62	767
5059	19.02	800	6018	1.82	471	7431N	1.48	546
5069	24.02	800	6045	2.11	519	7445N	0.53	---
5102	3.52	751	6204	8.55	800	7453N	0.80	---
5146	4.31	800	6206	5.43	800	7502	2.17	528
5160	3.05	673	6213	7.14	800	7515	0.93	324
5183	2.79	630	6214	2.41	567	7520	1.82	470
5188	3.86	800	6216	5.56	800	7538	8.82	800
5190	2.56	592	6217	4.02	800	7539	3.78	793
5191X	1.60	434	6229	3.78	794	7540	2.47	578
5192	3.19	696	6233	4.69	800	7580	1.64	440
5213	6.29	800	6235	12.49	800	7590	4.52	800

5215	3.36	724	6236	10.28	800	7600	2.27	545
5221	3.77	792	6237	2.63	605	7601	10.25	800
5222	10.32	800	6251D	6.85	800	7605	2.86	642
5223	4.55	800	6252D	5.12	800	7610	0.47	247
5348	3.52	751	6260D	4.52	800	7611	4.86	800
5402	3.91	800	6306	4.87	800	7612	13.52	800
5403	8.40	800	6319	4.75	800	7613	3.89	800
5437	3.85	800	6325	3.86	800	7705	2.25	541

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Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.	Code No.	Rate	Min. Prem.
7710	5.04	800	8292	2.59	597	9040	3.07	677
7711	5.04	800	8293	5.97	800	9052	1.34	391
7720X	2.25	541	8295X	6.53	800	9058	1.56	427
7855	5.43	800	8304	6.01	800	9059	2.41	567
8001	1.85	475	8350	4.95	800	9060	1.58	431
8002	2.83	637	8380	2.87	644	9061	1.12	355
8006	1.71	452	8381	1.21	369	9063	0.90	319
8008	0.98	332	8385	2.10	517	9082	1.29	383
8010	1.65	442	8392	2.62	602	9083	1.41	403
8013	0.39	234	8393	1.38	398	9084	1.64	440
8015	0.58	266	8500	5.53	800	9089	1.00	335
8017	0.95	327	8601	0.65	277	9093	1.22	372
8018X	2.03	505	8606	2.43	572	9101	2.44	573
8021	1.62	438	8719	1.64	440	9102	2.48	579
8031	3.38	727	8720	1.18	365	9154	1.69	449
8032	1.38	398	8721	0.35	227	9156	1.14	359
8033	1.65	442	8742X	0.39	234	9170	2.42	569
8039	1.20	368	8745	3.99	800	9178	22.85	800
8044	2.64	606	8748	0.36	229	9179	31.35	800
8045	0.38	233	8755	0.23	207	9180	3.23	703
8046	2.16	526	8799	0.84	308	9182	2.35	558
8047	0.93	324	8800	0.84	308	9186	46.43	800
8058	2.39	565	8803	0.07	182	9220	2.97	659
8072	0.70	286	8810	0.20	203	9402	3.75	789
8102	2.21	534	8820	0.17	198	9403	4.99	800
8103	3.26	708	8824	2.15	526	9410	1.53	422
8105	4.22	800	8825	1.84	473	9501	3.99	800
8106	3.34	721	8826	1.94	490	9505	3.33	719
8107	3.35	723	8829	2.34	556	9516	2.62	602
8111	3.04	671	8831	2.29	547	9519	1.87	479
8116	3.77	792	8832	0.22	206	9521	4.27	800
8203	4.80	800	8833X	0.78	299	9522	1.37	396
8204	4.16	800	8835	1.78	464	9534	6.09	800
8209	2.61	600	8842	1.28	381	9554	6.46	800
8215	5.00	800	8864	1.28	381	9586	0.60	269
8227	3.30	715	8868	0.33	224	9600	1.42	405



8232	5.49	800	8869	0.64	276	9620	1.07	347
8233	4.47	800	8871	0.20	203			
8235	3.60	765	8901	0.23	207			
8263	8.14	800	9012	1.69	449			
8264	2.94	655	9014	2.37	561			
8265	8.10	800	9015X	2.29	548			
8279	7.78	800	9016	5.01	800			
8288	5.24	800	9019	2.58	596			
8291	1.82	471	9033	1.72	453			
						<a href="#">Back to Top</a>		

### FOOTNOTES

**D** Special disease rule for the classification. See Rule 3-A-7 of Manual Supplement-Treatment of Disease Coverage.

**E** Classification involving specific disease loading. Refer to Home Office for amount.

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**F** Rate provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. Rate contains a provision for Federal assessment.

**N** This code is part of a ratable/non-ratable group shown below. The statistical non-ratable code and corresponding rate are applied in addition to the basic classification when determining premium.

<u>Class</u> <u>Code</u>	<u>Non- Ratable Element Code</u>
4771	0771
7405	7445
7431	7453

**P** Classification is computed on a per capita basis.

**X** Refer to special classification phraseology in these pages which is applicable in this state.

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### Class Codes with Specific Footnotes

**1005** Rate includes a non-ratable disease element of \$4.34. (For coverage written separately for federal benefits only, \$2.86. For coverage written separately for state benefits only, \$1.48).

**8018** See Arkansas Special Classification for Warehousing - groceries exclusively.

**8833** The rate for this classification is \$0.40. A charge of \$0.13 is to be added to this class' rate whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to the Rating Organization having jurisdiction for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.

**9040** The rate for this classification is \$1.48. A charge of \$0.13 is to be added to this class' rate whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to the Rating Organization having jurisdiction for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.

For Auto-Owners Rates, please refer to {{AR OIC WC Rates}}.

For Owners Miscellaneous Values, please refer to {{AR OIC WC Misc. Values}}.

Owners

**WORKER'S COMPENSATION  
MISCELLANEOUS VALUES**

Arkansas

[Basis of Premium](#)  
[Expense Constant](#)  
[Terrorism Risk Insurance Act](#)  
[Premium Discount Percentages](#)  
[Maximum Payroll](#)  
[Minimum Payroll](#)  
[Premium Determination for Partners and Sole Proprietors](#)  
[United States Longshore and Harbor Workers](#)  
[Compensation Coverage Package](#)  
[Experience Rating Eligibility](#)

**BASIS OF PREMIUM**

Applicable in accordance with the footnote instructions for Code:

7370 (Taxicab Co.):

Employee operated vehicles	\$48,893
Leased or rented vehicles	\$32,595

7420 (Aviation - Aerial Application, Seeding, Herding, or Scintillometer Surveying - Flying Crew):

Maximum payroll per week per employee	\$750
---------------------------------------	-------

**EXPENSE CONSTANT**

Applicable in accordance with Basic Manual Rule 3-A-11.

\$170

**FOREIGN TERRORISM**

\$0.03 per total payroll/100

**DOMESTIC TERRORISM, EARTHQUAKE AND CATASTROPHIC INDUSTRIAL ACCIDENTS**

\$0.01 per total payroll/100

**PREMIUM DISCOUNT PERCENTAGES**

See Basic Manual Rule 3-A-19. The following premium discounts are applicable to Standard Premiums:

First	\$5,000	None
Next	\$95,000	10.9%
Next	\$400,000	12.6%
Over	\$500,000	14.4%

**MAXIMUM PAYROLL**

Applicable in accordance with Basic Manual Rule 2-E-1 - "Executive Officers" and the footnote instructions for Code 9178 - "Athletic Team: Non-Contact Sports", Code 9179 - "Athletic Team: Contact Sports", and Code 9186 - "Carnival - Traveling"

\$2,500

[Back to Top](#)**PER PASSENGER SEAT SURCHARGE**

In accordance with the footnote instructions for Classification Code 7421 the surcharge is

\$100 per passenger seat

\$1000 maximum surcharge per aircraft

**MINIMUM PAYROLL**

Applicable in accordance with Basic Manual Rule 2-E-1 - "Executive Officers".

\$300

**PREMIUM DETERMINATION FOR PARTNERS, SOLE PROPRIETORS AND MEMBERS OF LIMITED LIABILITY COMPANIES**

Applicable in accordance with the Basic Manual Rule 2-E-3.

\$31,900

**EXPERIENCE RATING ELIGIBILITY**

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed in the last year or the last two years of the experience period produced a premium of at least \$8,000. If more than two years, an average annual premium of at least \$4,000 is required. Page A-1 of the Experience Rating Plan Manual should be referenced for the latest approved eligibility amounts by state.

Advisory Loss Elimination Ratios - The following percentages are applicable by deductible amount and Hazard group on a per claim basis:

**TOTAL LOSSES**

<b>Deductible Amount</b>	<b><u>Hazard Group</u></b>			
	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>
\$1,000	7.0%	5.4%	3.4%	2.1%
1,500	8.6%	6.7%	4.3%	2.6%
2,000	9.9%	7.7%	5.0%	3.2%
2,500	11.0%	8.6%	5.6%	3.6%
3,000	12.0%	9.5%	6.3%	4.0%
3,500	12.9%	10.3%	6.8%	4.4%
4,000	13.7%	11.0%	7.4%	4.8%
4,500	14.4%	11.6%	7.8%	5.1%
5,000	15.2%	12.3%	8.3%	5.4%

**INDEMNITY LOSSES**

<b>Deductible Amount</b>	<b><u>Hazard Group</u></b>			
	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>
\$1,000	1.4%	1.2%	0.9%	0.6%
1,500	2.0%	1.7%	1.3%	0.9%
2,000	2.5%	2.1%	1.7%	1.2%
2,500	3.0%	2.5%	1.9%	1.4%
3,000	3.4%	2.9%	2.3%	1.5%
3,500	3.8%	3.3%	2.5%	1.7%
4,000	4.1%	3.6%	2.8%	1.9%
4,500	4.5%	3.9%	3.0%	2.1%
5,000	4.8%	4.2%	3.2%	2.3%

**MEDICAL LOSSES**

<b>Deductible Amount</b>	<b><u>Hazard Group</u></b>			
	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>
\$1,000	6.8%	5.2%	3.2%	1.9%
1,500	8.3%	6.4%	4.0%	2.4%
2,000	9.3%	7.3%	4.6%	2.9%

2,500	10.3%	8.1%	5.2%	3.2%
3,000	11.0%	8.7%	5.6%	3.5%
3,500	11.7%	9.3%	6.1%	3.9%
4,000	12.4%	9.9%	6.4%	4.1%
4,500	13.0%	10.3%	6.8%	4.4%
5,000	13.5%	10.8%	7.2%	4.6%

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For Owners Rates, please refer to {{AR OIC WC Rates}}.

SERFF Tracking Number: AOIC-125649047 State: Arkansas  
First Filing Company: Auto-Owners Insurance Company, ... State Tracking Number: EFT \$100  
Company Tracking Number: WCP-AR-99-05/30/2008-01  
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
Product Name: Workers Compensation and Employer's Liability  
Project Name/Number: AR Workers Compensation Rate Change/WCP-AR-99-05/30/2008-01

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 06/02/2008

**Comments:**

**Attachment:**

industry\_rates\_PCtransDoc\_intelligent.pdf

**Satisfied -Name:** NAIC Loss Cost Filing Document for Workers' Compensation **Review Status:** Approved 06/02/2008

**Comments:**

**Attachments:**

loss\_cost\_wc\_coverLC (A-O).pdf  
loss\_cost\_filing\_document\_wc (A-O).pdf  
loss\_cost\_expense\_constant\_supplement (A-O Std).pdf  
loss\_cost\_expense\_constant\_supplement (A-O Pref).pdf  
loss\_cost\_wc\_coverLC (OIC).pdf  
loss\_cost\_filing\_document\_wc (OIC).pdf  
loss\_cost\_expense\_constant\_supplement (OIC Std).pdf  
loss\_cost\_expense\_constant\_supplement (OIC Pref).pdf

**Satisfied -Name:** NAIC loss cost data entry document **Review Status:** Approved 06/02/2008

**Comments:**

**Attachments:**

FORM RF-1 (A-O).pdf  
FORM RF-1 (OIC).pdf

## Property &amp; Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b>	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
h. Subject Codes		

<b>3. Group Name</b>	Auto-Owners Insurance Group				<b>Group NAIC #</b>	280-02801
<b>4. Company Name(s)</b>	<b>Domicile</b>	<b>NAIC #</b>	<b>FEIN #</b>	<b>State #</b>		
Auto-Owners Insurance Company	MI	280-18988	38-0315280			
Owners Insurance Company	OH	280-32700	34-1172650			

<b>5. Company Tracking Number</b>	WCP-AR-99-05/30/2008-01
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## Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

<b>6. Name and address</b>	<b>Title</b>	<b>Telephone #s</b>	<b>FAX #</b>	<b>e-mail</b>
Jennifer L. Smith 6101 Anacapri Blvd. Lansing, MI 48917	Assistant Manager, Workers Compensation Actuarial	800-346-0346 (ext. 1185)	(517) 323-8796	aoactl@aoins.net
<b>7. Signature of authorized filer</b>				
<b>8. Please print name of authorized filer</b>		Jennifer L. Smith		

## Filing information (see General Instructions for descriptions of these fields)

<b>9. Type of Insurance (TOI)</b>	16.0000 Workers Compensation Insurance
<b>10. Sub-Type of Insurance (Sub-TOI)</b>	16.0004 Standard Workers Compensation Insurance
<b>11. State Specific Product code(s)(if applicable)[See State Specific Requirements]</b>	
<b>12. Company Program Title (Marketing title)</b>	Workers Compensation and Employers Liability Insurance
<b>13. Filing Type</b>	<input checked="" type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
<b>14. Effective Date(s) Requested</b>	New: 7/1/2008   Renewal: 7/1/2008
<b>15. Reference Filing?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>16. Reference Organization (if applicable)</b>	National Council on Compensation Insurance, Inc.
<b>17. Reference Organization # &amp; Title</b>	AR-2008-02
<b>18. Company's Date of Filing</b>	May 30, 2008
<b>19. Status of filing in domicile</b>	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

## Property & Casualty Transmittal Document—

<b>20.</b>	<b>This filing transmittal is part of Company Tracking #</b>	WCP-AR-99-05/30/2008-01
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<b>21.</b>	<b>Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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Auto-Owners Insurance Company of Lansing, Michigan and Owners Insurance Company of Lima, Ohio submit the following workers' compensation rate revision for your review. The proposed effective date for both new and renewal business is July 1, 2008.

Auto-Owners Insurance Company and Owners Insurance Company are filing to adopt the NCCI loss costs and miscellaneous values effective July 1, 2008 per NCCI Item Number AR-2008-02.

For Auto-Owners, we will increase our loss cost multiplier from 1.57 to 1.65 for standard classes, and we will increase our loss cost multiplier for preferred classes from 1.47 to 1.54. For Owners, we will increase our loss cost multiplier from 1.27 to 1.33 for standard classes, and we will increase our loss cost multiplier for preferred classes from 1.17 to 1.23. In addition, to prevent an individual policyholder from experiencing too large of a rate change, the classes with premium will be capped at +10%/-10% for all classes. The preferred classes are listed below:

0042	2003	2802	3040	3114	3632	4299	5022	5183	5190	5192	5215	5221
5445	5474	5491	5537	5645	5651	6217	6229	6325	6400	6836	7228	7229
7520	7613	8001	8006	8008	8013	8015	8017	8018	8046	8107	8111	8116
8381	8393	8601	8742	8810	8820	8832	9052	9061	9082	9101	9102	9516
9521	9620											

In addition, we have increased our expense constant from \$160 to \$170, our minimum premium factor from 155 to 165, and highest minimum premium from \$750 to \$800.

These changes will result in an overall rate change of -3.8% for Auto-Owners, -5.1% for Owners, and an overall -4.1% change for the group.

If you have any questions regarding this filing, please feel free to contact me.

<b>22.</b>	<b>Filing Fees</b> (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
------------	---

**Check #: EFT**  
**Amount: \$100.00**

\$50.00 filing fee per company

**Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.**

**\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required other state specific forms, etc.)**



**RATE/RULE FILING SCHEDULE**

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

**(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)**

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	WCP-AR-99-05/30/2008-01
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<b>2.</b>	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	
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☐ Rate Increase      ☒ Rate Decrease      ☐ Rate Neutral (0%)

<b>3.</b>	<b>Filing Method (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	Prior Approval
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<b>4a.</b>	<b>Rate Change by Company (As Proposed)</b>
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
Auto-Owners	N/A	-3.8%	-\$40,585	374	\$1,060,995	14.2%	-9.6%
Owners	N/A	-5.1%	-\$12,910	53	\$253,240	4.4%	-9.4%

<b>4b.</b>	<b>Rate Change by Company (As Accepted) For State Use Only</b>
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

<b>5. Overall Rate Information (Complete for Multiple Company Filings only)</b>			
		<b>COMPANY USE</b>	<b>STATE USE</b>
<b>5a</b>	<b>Overall percentage rate indication (when applicable)</b>	-31.1%	
<b>5b</b>	<b>Overall percentage rate impact for this filing</b>	-4.1%	
<b>5c</b>	<b>Effect of Rate Filing – Written premium change for this program</b>	-\$53,495	
<b>5d</b>	<b>Effect of Rate Filing – Number of policyholders affected</b>	427	

<b>6.</b>	<b>Overall percentage of last rate revision</b>	2.3%
<b>7.</b>	<b>Effective Date of last rate revision</b>	1/1/2008
<b>8.</b>	<b>Filing Method of Last filing (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	Prior Approval

<b>9.</b>	<b>Rule # or Page # Submitted for Review</b>	<b>Replacement or withdrawn?</b>	<b>Previous state filing number, if required by state</b>
01	AOAKZ017	[ ] New [X] Replacement [ ] Withdrawn	
02	AOAKZ018	[ ] New [X] Replacement [ ] Withdrawn	

03	AOAKZ019	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02	AOAKZ020	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

Date: May 30, 2008

Space Reserved for Insurance  
Department Use

**WORKERS' COMPENSATION  
LOSS COST FILING DOCUMENT COVER FORM**

**INSURER RATE FILING  
ADOPTION OF ADVISORY ORGANIZATION  
PROSPECTIVE LOSS COSTS**

1 INSURER NAME Auto-Owners Insurance Company

ADDRESS 6101 Anacapri Blvd.  
PO Box 30660  
Lansing, MI 48909-8160

2 PERSON RESPONSIBLE FOR FILING Jennifer L. Smith

TITLE Assistant Manager, Workers Compensation Actuarial TELEPHONE # 517-391-1185

3 INSURER NAIC # 0280-18988

4 ADVISORY ORGANIZATION NCCI

5A. PROPOSED RATE LEVEL CHANGE -3.8 % EFFECTIVE DATE 7/1/2008  
5B. PROPOSED PREMIUM LEVEL CHANGE\* -3.8 % EFFECTIVE DATE 7/1/2008

6A. PRIOR RATE LEVEL CHANGE 2.3 % EFFECTIVE DATE 1/1/2008  
6B. PRIOR PREMIUM LEVEL CHANGE\* 2.3 % EFFECTIVE DATE 1/1/2008

7. ATTACH "NAIC LOSS COST FILING DOCUMENT—WORKERS' COMPENSATION"  
(Attach this document separately for each insurer selected loss cost multiplier.)

\* The premium level change is the change in the insurer's annual collectible premium.

**CALCULATION OF COMPANY LOSS COST MULTIPLIER**

<b>This filing transmittal is part of Company Tracking #</b>	<b>WCP-AR-99-05/30/2008-01</b>
<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	

(X) **Loss Cost Reference Filing** NCCI - AR-2008-02 ( ) **Independent Rate Filing**  
(Advisory Org, & Reference filing #)

If this is a loss cost filing adopting an advisory organization's loss costs, the above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

**1. Check one of the following:**

<input checked="" type="checkbox"/>	The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer. <b>Note: Some states have statutes that prohibit this option for some lines of business.</b>
<input type="checkbox"/>	The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

**2. Does this filing apply to all class codes? Yes If no, complete a copy of this form for each affected class with appropriate justification.**

**3. Loss cost modification:**

**A.** The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:  
(Check One)

( ) Without Modification (factor = 1.000)

(X) With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.) 25.0% (standard), 17.0% (preferred)

**B.** Loss Cost Modification Expressed as a Factor: (See Examples Below) 1.250 (standard), 1.170 (preferred)

Example 1: Loss cost Modification Factor: If your company's loss cost modification is -10%, a factor of .90 (1.000 - .100) should be used.

Example 2: Loss cost Modification Factor: If your company's loss cost modification is =15%, a factor of 1.15 (1.000 + .150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 4-11 BELOW.

**4. Development of Expected Loss and Loss Adjustment Expense (Target Cost) Ratio.** (Attach exhibit detailing insurer expense data, impact of premium discount plans, and/or other supporting information.)  
PROJECTED EXPENSES: Compared to standard premium at company rates.

			Selected Provisions
	A.	Total Production Expense	N/A
	B.	General Expense	N/A
	C.	Taxes, Licenses & Fee	N/A
	D.	Underwriting profit & contingencies*	N/A
	E.	Other (explain)	N/A
	F.	Total	N/A
		* Explain how investment income is taken into account	

<b>5.</b>	A.	Expected Loss Ratio: $ELR = 100\% - 4F =$	N/A
	B.	ELR in Decimal Form =	N/A

CONTINUED ON PAGE 2

# NAIC LOSS COST FILING DOCUMENT—*FOR WORKERS' COMPENSATION*

6.	Overall Impact of Expense Constant and Minimum Premiums: (a 2.3% impact would be expressed as 1.023)	N/A
7.	Overall Impact of Size-of-Risk Discounts plus Expense Graduation Recognition in Retrospective Rating: (An 8.6% average discount would be expressed as 0.914)	N/A
8.	Company Formula Loss Cost Multiplier [3B / ((7 – 4F) X 6)]	N/A
9.	Company Selected Loss Cost Multiplier = (Attach explanation for any differences between 6 and 7)	N/A

Yes No

10. **Are you amending your minimum premium formula?** If yes, attach documentation, including rate level impact as well as changes in multipliers, expense constants, maximum, etc.

( ) ( )

11. **Are you changing your premium discount schedules?** If yes, attach schedules and support, detailing premium or rate level changes.

( ) ( )

# NAIC EXPENSE CONSTANT SUPPLEMENT

## CALCULATION OF COMPANY LOSS COST MULTIPLIER WITH EXPENSE CONSTANTS

(EFFECTIVE AUG. 16, 2004)

(This form must be provided ONLY when making a filing that includes an expense constant)

<b>This filing transmittal is part of Company Tracking #</b>	<b>WCP-AR-99-05/30/2008-01</b>
<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	

### Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

#### Selected Provisions

4.			Overall	Variable	Fixed	
	A.	Total Production Expense	<b>16.9</b>	<b>16.3</b>	<b>0.6</b>	%
	B.	General Expense	<b>6.2</b>	<b>6.2</b>	<b>0.0</b>	%
	C.	Taxes, License & Fees	<b>3.2</b>	<b>3.0</b>	<b>0.2</b>	%
	D.	Underwriting Profit & Contingencies*	<b>-1.3</b>	<b>-1.3</b>	<b>0.0</b>	%
	E.	Other (explain)	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	%
	F.	TOTAL	<b>25.0</b>	<b>24.2</b>	<b>0.8</b>	%
		*Explain how investment income is taken into account.				

5.	A.	Expected Loss Ratio: ELR = 100% - Overall 4F	<b>75.00</b>	%
	B.	ELR in decimal form =	<b>0.7500</b>	
	C.	Variable Expected Loss Ratio: VELR=100% - Variable 4F	<b>75.80</b>	%
	D.	VELR in Decimal Form = B. ELR in Decimal Form =	<b>0.7580</b>	

6.	A.	Formula Expense Constant: [(1.00 divided by 5B) – (1.00 divided by 5D)]	<b>170</b>	
	B.	Formula Variable Loss Cost Multiplier (3B divided by 5D)	<b>1.65</b>	

7.	A.	Selected Expense Constant =	<b>170</b>	
	B.	Selected Variable Loss Cost Multiplier =	<b>1.65</b>	

#### 8. Explain any differences between 6 and 7:

9.	Rate level change for the coverage(s) to which this page applies	<b>-3.8</b>	%
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# NAIC EXPENSE CONSTANT SUPPLEMENT

## CALCULATION OF COMPANY LOSS COST MULTIPLIER WITH EXPENSE CONSTANTS

(EFFECTIVE AUG. 16, 2004)

(This form must be provided ONLY when making a filing that includes an expense constant)

<b>This filing transmittal is part of Company Tracking #</b>	<b>WCP-AR-99-05/30/2008-01</b>
<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	

### Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

#### Selected Provisions

4.			Overall	Variable	Fixed	
	A.	Total Production Expense	<b>16.9</b>	<b>16.3</b>	<b>0.6</b>	%
	B.	General Expense	<b>6.2</b>	<b>6.2</b>	<b>0.0</b>	%
	C.	Taxes, License & Fees	<b>3.2</b>	<b>3.0</b>	<b>0.2</b>	%
	D.	Underwriting Profit & Contingencies*	<b>-1.3</b>	<b>-1.3</b>	<b>0.0</b>	%
	E.	Other (explain)	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	%
	F.	TOTAL	<b>25.0</b>	<b>24.2</b>	<b>0.8</b>	%
		*Explain how investment income is taken into account.				

5.	A.	Expected Loss Ratio: ELR = 100% - Overall 4F	<b>75.00</b>	%
	B.	ELR in decimal form =	<b>0.7500</b>	
	C.	Variable Expected Loss Ratio: VELR=100% - Variable 4F	<b>75.80</b>	%
	D.	VELR in Decimal Form = B. ELR in Decimal Form =	<b>0.7580</b>	

6.	A.	Formula Expense Constant: [(1.00 divided by 5B) – (1.00 divided by 5D)]	<b>170</b>	
	B.	Formula Variable Loss Cost Multiplier (3B divided by 5D)	<b>1.54</b>	

7.	A.	Selected Expense Constant =	<b>170</b>	%
	B.	Selected Variable Loss Cost Multiplier =	<b>1.54</b>	%

#### 8. Explain any differences between 6 and 7:

9.	Rate level change for the coverage(s) to which this page applies	<b>-3.8</b>	%
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Date: May 30, 2008

Space Reserved for Insurance  
Department Use

**WORKERS' COMPENSATION  
LOSS COST FILING DOCUMENT COVER FORM**

**INSURER RATE FILING  
ADOPTION OF ADVISORY ORGANIZATION  
PROSPECTIVE LOSS COSTS**

- 1      INSURER NAME Owners Insurance Company
- ADDRESS      6101 Anacapri Blvd.  
                    PO Box 30660  
                    Lansing, MI 48909-8160
- 2      PERSON RESPONSIBLE FOR FILING Jennifer L. Smith
- TITLE Assistant Manager, Workers Compensation Actuarial      TELEPHONE # 517-391-1185
- 3      INSURER NAIC # 0280-32700
- 4      ADVISORY ORGANIZATION NCCI

5A. PROPOSED RATE LEVEL CHANGE      -5.1 % EFFECTIVE DATE 7/1/2008  
5B. PROPOSED PREMIUM LEVEL CHANGE\* -5.1 % EFFECTIVE DATE 7/1/2008

6A. PRIOR RATE LEVEL CHANGE      2.6 % EFFECTIVE DATE 1/1/2008  
6B. PRIOR PREMIUM LEVEL CHANGE\* 2.6 % EFFECTIVE DATE 1/1/2008

7.    ATTACH "NAIC LOSS COST FILING DOCUMENT—WORKERS' COMPENSATION"  
      (Attach this document separately for each insurer selected loss cost multiplier.)

\*    The premium level change is the change in the insurer's annual collectible premium.



**CALCULATION OF COMPANY LOSS COST MULTIPLIER**

<b>This filing transmittal is part of Company Tracking #</b>	<b>WCP-AR-99-05/30/2008-01</b>
<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	

**(X) Loss Cost Reference Filing**      **NCCI - AR-2008-02**      ( ) **Independent Rate Filing**  
(Advisory Org, & Reference filing #)

If this is a loss cost filing adopting an advisory organization's loss costs, the above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

**1. Check one of the following:**

<input checked="" type="checkbox"/>	The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer. <b>Note: Some states have statutes that prohibit this option for some lines of business.</b>
<input type="checkbox"/>	The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

**2. Does this filing apply to all class codes? Yes If no, complete a copy of this form for each affected class with appropriate justification.**

**3. Loss cost modification:**

**A.** The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:  
(Check One)

( ) Without Modification (factor = 1.000)

(X) With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.) **5.0% (standard), -3.0% (preferred)**

**B.** Loss Cost Modification Expressed as a Factor: (See Examples Below) **1.050 (standard), 0.970 (preferred)**

Example 1: Loss cost Modification Factor: If your company's loss cost modification is -10%, a factor of .90 (1.000 - .100) should be used.

Example 2: Loss cost Modification Factor: If your company's loss cost modification is =15%, a factor of 1.15 (1.000 + .150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 4-11 BELOW.

**4. Development of Expected Loss and Loss Adjustment Expense (Target Cost) Ratio.** (Attach exhibit detailing insurer expense data, impact of premium discount plans, and/or other supporting information.)  
**PROJECTED EXPENSES:** Compared to standard premium at company rates.

			Selected Provisions
	A.	Total Production Expense	N/A
	B.	General Expense	N/A
	C.	Taxes, Licenses & Fee	N/A
	D.	Underwriting profit & contingencies*	N/A
	E.	Other (explain)	N/A
	F.	Total	N/A
		* Explain how investment income is taken into account	

<b>5.</b>	A.	Expected Loss Ratio: $ELR = 100\% - 4F =$	N/A
	B.	ELR in Decimal Form =	N/A

CONTINUED ON PAGE 2

# NAIC LOSS COST FILING DOCUMENT—*FOR WORKERS' COMPENSATION*

6.		Overall Impact of Expense Constant and Minimum Premiums: (a 2.3% impact would be expressed as 1.023)	N/A
7.		Overall Impact of Size-of-Risk Discounts plus Expense Graduation Recognition in Retrospective Rating: (An 8.6% average discount would be expressed as 0.914)	N/A
8.		Company Formula Loss Cost Multiplier [3B / ((7 – 4F) X 6)]	N/A
9.		Company Selected Loss Cost Multiplier = (Attach explanation for any differences between 6 and 7)	N/A

Yes No

10. **Are you amending your minimum premium formula?** If yes, attach documentation, including rate level impact as well as changes in multipliers, expense constants, maximum, etc.

( ) ( )

11. **Are you changing your premium discount schedules?** If yes, attach schedules and support, detailing premium or rate level changes.

( ) ( )

# NAIC EXPENSE CONSTANT SUPPLEMENT

## CALCULATION OF COMPANY LOSS COST MULTIPLIER WITH EXPENSE CONSTANTS

(EFFECTIVE AUG. 16, 2004)

(This form must be provided ONLY when making a filing that includes an expense constant)

<b>This filing transmittal is part of Company Tracking #</b>	<b>WCP-AR-99-05/30/2008-01</b>
<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	

### Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

#### Selected Provisions

4.			Overall	Variable	Fixed	
	A.	Total Production Expense	<b>14.0</b>	<b>13.5</b>	<b>0.5</b>	%
	B.	General Expense	<b>6.2</b>	<b>6.2</b>	<b>0.0</b>	%
	C.	Taxes, License & Fees	<b>3.5</b>	<b>2.5</b>	<b>1.0</b>	%
	D.	Underwriting Profit & Contingencies*	<b>-1.3</b>	<b>-1.3</b>	<b>0.0</b>	%
	E.	Other (explain)	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	%
	F.	TOTAL	<b>22.4</b>	<b>20.9</b>	<b>1.5</b>	%
		*Explain how investment income is taken into account.				

5.	A.	Expected Loss Ratio: ELR = 100% - Overall 4F	<b>77.60</b>	%
	B.	ELR in decimal form =	<b>0.7760</b>	
	C.	Variable Expected Loss Ratio: VELR=100% - Variable 4F	<b>79.10</b>	%
	D.	VELR in Decimal Form = B. ELR in Decimal Form =	<b>0.7910</b>	

6.	A.	Formula Expense Constant: [(1.00 divided by 5B) – (1.00 divided by 5D)]	<b>170</b>	
	B.	Formula Variable Loss Cost Multiplier (3B divided by 5D)	<b>1.33</b>	

7.	A.	Selected Expense Constant =	<b>170</b>	%
	B.	Selected Variable Loss Cost Multiplier =	<b>1.33</b>	%

#### 8. Explain any differences between 6 and 7:

9.	Rate level change for the coverage(s) to which this page applies	<b>-5.1</b>	%
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# NAIC EXPENSE CONSTANT SUPPLEMENT

## CALCULATION OF COMPANY LOSS COST MULTIPLIER WITH EXPENSE CONSTANTS

(EFFECTIVE AUG. 16, 2004)

(This form must be provided ONLY when making a filing that includes an expense constant)

<b>This filing transmittal is part of Company Tracking #</b>	<b>WCP-AR-99-05/30/2008-01</b>
<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	

### Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

#### Selected Provisions

4.			Overall	Variable	Fixed	
	A.	Total Production Expense	<b>14.0</b>	<b>13.5</b>	<b>0.5</b>	%
	B.	General Expense	<b>6.2</b>	<b>6.2</b>	<b>0.0</b>	%
	C.	Taxes, License & Fees	<b>3.5</b>	<b>2.5</b>	<b>1.0</b>	%
	D.	Underwriting Profit & Contingencies*	<b>-1.3</b>	<b>-1.3</b>	<b>0.0</b>	%
	E.	Other (explain)	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	%
	F.	TOTAL	<b>22.4</b>	<b>20.9</b>	<b>1.5</b>	%
		*Explain how investment income is taken into account.				

5.	A.	Expected Loss Ratio: ELR = 100% - Overall 4F	<b>77.60</b>	%
	B.	ELR in decimal form =	<b>0.7760</b>	
	C.	Variable Expected Loss Ratio: VELR=100% - Variable 4F	<b>79.10</b>	%
	D.	VELR in Decimal Form = B. ELR in Decimal Form =	<b>0.7910</b>	

6.	A.	Formula Expense Constant: [(1.00 divided by 5B) – (1.00 divided by 5D)]	<b>170</b>	
	B.	Formula Variable Loss Cost Multiplier (3B divided by 5D)	<b>1.23</b>	

7.	A.	Selected Expense Constant =	<b>170</b>	%
	B.	Selected Variable Loss Cost Multiplier =	<b>1.23</b>	%

#### 8. Explain any differences between 6 and 7:

9.	Rate level change for the coverage(s) to which this page applies	<b>-5.1</b>	%
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## NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	WCP-AR-99-05/30/2008-01
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	NCCI - AR-2008-02
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	Company Name		Company NAIC Number
3.	A. Auto-Owners Insurance Company	B.	280-18988

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A. 16.0000	B.	16.0002 and 16.0004

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Workers' Compensation	-31.1%	-3.8%	79.2%	25% (Standard) 17% (Preferred)	1.65 (Standard) 1.54 (Preferred)	170	1.57 (Standard) 1.47 (Preferred)
TOTAL OVERALL EFFECT	-31.1%	-3.8%					

6.

5 Year History

Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	152	-4.8%	7/1/2007	\$649,514	\$532,895	82.1%	64.0%
2006	66	0.2%	7/1/2006	\$264,659	\$221,588	83.7%	72.5%
2005	18	N/A	7/1/2005	\$10,259	\$27,096	264.1%	62.8%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	16.9%
B. General Expense	6.2%
C. Taxes, License & Fees	3.2%
D. Underwriting Profit & Contingencies	-1.3%
E. Other (explain)	0.0%
F. TOTAL	25.0%

8. Y

Apply Lost Cost Factors to Future filings? (Y or N)

9. 14.2%

Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): N/A

10. -9.6%

Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): N/A

## NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	WCP-AR-99-05/30/2008-01
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	NCCI - AR-2008-02
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	Company Name		Company NAIC Number
3.	A. Owners Insurance Company	B.	280-32700

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A. 16.0000	B.	16.0002 and 16.0004

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Workers' Compensation	-23.6%	-5.1%	82.8%	5% (Standard) -3% (Preferred)	1.33 (Standard) 1.23 (Preferred)	170	1.27 (Standard) 1.17 (Preferred)
TOTAL OVERALL EFFECT	-23.6%	-5.1%					

6.

5 Year History

Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	15	-3.8%	7/1/2007	\$137,101	\$18,929	13.8%	69.7%
2006	12	0.1%	7/1/2006	\$80,591	\$107,877	133.9%	83.4%
2005	3	N/A	7/1/2005	\$1,942	\$4,991	256.9%	78.9%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	14.0%
B. General Expense	6.2%
C. Taxes, License & Fees	3.5%
D. Underwriting Profit & Contingencies	-1.3%
E. Other (explain)	0.0%
F. TOTAL	22.4%

8. Y Apply Lost Cost Factors to Future filings? (Y or N)

9. 4.4% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): N/A

10. -9.4% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): N/A